

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1758
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Finance
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, under Section 26.05(b), Tax Code, all taxing units are required to state, "I move that property taxes be increased by the adoption of a tax rate of (specify tax rate)" at a meeting where the taxing unit is to increase the effective tax rate. School districts must make the statement specified in Section 26.05(b) even if the total amount of taxes levied is not increasing by setting a higher effective tax rate.

C.S.S.B. 1758 authorizes the governing body of a school district to adopt a higher effective tax rate without being subject to Sections 26.05(b), Tax Code, if the amount of taxes due on the average residence in the district will not change.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 26.05, Tax Code, by amending Subsection (b) and adding Subsection (b-1), as follows:

(b) Requires a motion to adopt an ordinance, resolution, or order setting a tax rate that exceeds the effective tax rate to be made in a certain manner, except as provided by Subsection (b-1).

(b-1) Provides that a motion to adopt a resolution or order setting a tax rate for a school district is not required to be made in the form prescribed by Subsection (b) if the amount of taxes due on the average residence in the district under the proposed tax rate will not exceed the amount of taxes due on the average residence in the district under the tax rate for the preceding year as determined under Section 44.004(c), Education Code.

SECTION 2. Provides that this Act applies only to ad valorem taxes imposed for a tax year beginning on or after January 1, 2008.

SECTION 3. Effective date: January 1, 2008.